

**OFFICE OF THE MAYOR
CITY AND COUNTY OF HONOLULU**

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MUFI HANNEMANN
MAYOR



April 17, 2008

The Honorable Barbara Marshall, Chair
and Members
Honolulu City Council
530 South King Street, Room 202
Honolulu, Hawaii 96813

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HONOLULU, HAWAII

Dear Chair Marshall and Members:

This is to inform you of my decision to proceed with the technology selection of Steel on Steel for the Honolulu High-Capacity Transit Corridor project.

I am acutely aware of the Council's reservation of the right to select the technology (Ordinance 07-001, PART III, Section 6) and because I also recognize the selection of technology must be based on technical facts and fiscal merits instead of policy and perception, I approached the Council last year to collaboratively establish a selection panel. The Council agreed that the technology selection by the panel is advantageous to the City and passed Resolution 07-376, ESTABLISHING A PANEL TO SELECT FIXED GUIDEWAY TECHNOLOGY.

The panel members' qualifications clearly reached beyond any single technology and the conclusion was unanimously for steel on steel among the panel members who had the transit technology experiences.

Based on yesterday's indecision by the Council, it is clear that the Council failed to recognize the panel's expert decision and has exposed the City to the risks of selecting technology that is not the most advantageous.

Therefore, I have instructed the Department of Transportation Services to proceed with the steel technology as selected by the expert panel in the preparation of the draft Environmental Impact Statement, Preliminary

MAYOR'S MESSAGE 32

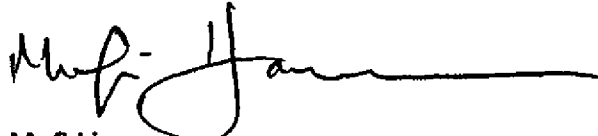
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Engineering, the final Environmental Impact Statement and other necessary documents as required or requested by the FTA and the State.

Additionally, pursuant to the second proviso included in Ordinance 07-001, PART III, Section 6, I am notifying the Council that I am issuing the first notice soliciting proposals for work that includes design of the steel on steel fixed guideway system after 90 days from the date of this letter.

It is my belief that proceeding with the project implementation with the sense of urgency is prudent and fiscally responsible given the fact of the possible cost increase due to inflation in the construction industry. We have the best chance of being able to implement the system our residents have long deserved and are waiting so I am proceeding with the project in the best way I can.

Sincerely,

A handwritten signature in black ink, appearing to read 'Mufi Hannemann', with a long horizontal flourish extending to the right.

Mufi Hannemann
Mayor